



DEPARTMENT OF THE ARMY

U.S. Army Corps of Engineers  
WASHINGTON, D.C. 20314-1000

To Printing  
9/18

REPLY TO  
ATTENTION OF:

CEPR-O (715)

SEP 18 1996

MEMORANDUM FOR COMMANDERS, ALL MAJOR SUBORDINATE  
COMMANDS, DISTRICT COMMANDS, FIELD  
ACTIVITIES AND LABORATORIES;  
ATTN: DIRECTORS/CHIEFS OF CONTRACTS

SUBJECT: PARC Instruction Letter 96-5, Implementation of Defense Grant and Agreement Circulars (DGACs) 94-2, 94-3 and 94-4

1. Reference. Interim Guidance Draft of DoD 3210.6-R, Grant and Agreement Regulations (DoDGARS).
2. Enclosed are the subject three DGACs, in full text, that are effective immediately upon receipt.
3. DGAC 94-2 implements the Government-wide rule on the use of OMB Circular A-102 and sets administrative requirements for awards to state and local governments. Further, DGAC 94-2 sets a simplified acquisition threshold of \$100,000 for state and local governments under DOD grants and cooperative agreement awards.
4. DGAC 94-3 implements the same procedures for nonprocurement (i.e., grants, cooperative agreements and other transactions) and procurement debarment and suspension actions. Additionally, drug free determinations under DoDGARS sections 25.610 and 25.615 can be made at the contracting activity. Note that these determinations must be reviewed for legal sufficiency along with the rest of the proposed grant, cooperative agreement or other transaction, prior to award.
5. DGAC 94-4 states that no funds available to DoD may be provided by grant or cooperative agreement to any institution of higher education that has a policy of denying or effectively prevents military recruitment. Note that any request for deviation from this restriction must be approved by both Division, if applicable, and the PARC prior to any submission for approval to the Director of Research, ODDR&E(R).
6. Please distribute these documents to your Legal Counsel. Should you have questions or comments in regard to the above, my POCs are either Hugh Roberts (202) 761-5220 or Major (P) Jeffrey W. Hills (202) 761-8644.

THOMAS J. QUIGLEY  
Colonel, Corps of Engineers  
Acting Principal Assistant  
Responsible for Contracting